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<u>SHB 2604</u> - H AMD **1215** By Representative Simpson

On page 2, beginning on line 8, strike all material after "(2)" through "applies" on line 26 and insert the following: "(a) ((May)) Shall provide an exemption for low-income housing ((7)) and other development activities with broad public purposes ((, from these impact fees, provided that the impact fees for such development activity shall be paid from public funds other than impact fee accounts)). The local ordinance providing for the exemption must require the developer to record a covenant that, except as provided otherwise by this subsection (2), prohibits the property from being used for any purpose other than for low-income housing or broad public purposes. The covenant must specify that if the property is converted to a use other than for low-income housing or broad public purposes, the property owner must pay the applicable impact fees in effect at the time of conversion. Covenants required by this subsection (2) must be recorded with the applicable county auditor or recording officer.

- (b) A local government exempting low-income housing and other development activities with broad public purposes under this subsection (2) may not impose a fee under RCW 43.21C.060 for the system improvements for which the exemption applies.
- (c) As used in this subsection (2), "development activities with broad public purposes" include, but are not limited to, the construction or modification of facilities for a high-capacity transportation service authorized under chapter 81.104 RCW.
- (d) As used in this subsection (2), "low-income housing" means housing that is affordable according to standards of the United States department of housing and urban development for ownership or rental. "Low-income housing" must be occupied by, reserved for, or marketed for occupancy by households with a gross household income of eighty percent or less of the county's median gross household income for identically sized households"

and insert the following:	
"(2) A local government exempting low-income housing or o	<u>ther</u>
development activities with broad public purposes under	RCW
82.02.060(2) may not impose a fee under RCW 43.21C.060 for	the
system improvements for which the exemption applies."	

On page 3, beginning on line 17, strike all of subsection (2)

EFFECT: Makes the following changes to the substitute bill: (1) specifies that local ordinances by which impact fees are imposed must, rather than may, provide an exemption for lowincome housing and other development activities with broad public purposes; (2) defines "low-income housing"; and (3) makes technical changes consistent with requiring jurisdictions to provide impact fee exemptions for qualifying development.

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